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ABSTRACT

The college and university marketing system must be viewed as a separate but integrated area within the institution requiring its own planning and implementation cycle. The marketing concept as it applies to higher education means that a college or university exists to provide satisfaction to external and internal constituents (or segments thereof) who can be instrumental in providing the institution with the support and resources needed for survival and development. To effectively satisfy external and internal publics, a timely flow of decision-oriented information is necessary to support the marketing planning process. It is the crucial role of institutional research to design and implement a marketing information system to serve the primary marketing-oriented units within the organization. Some of the data necessary for effective marketing planning must be obtained using research methods and procedures not customarily practiced by institutional research staffs. Given the necessity for systematic marketing in higher education over the next 20 years, sharp increases may be required in both the status and funding of the on-campus institutional research office. (Author/JMD)

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THE ROLE OF INSTITUTIONAL RESEARCH IN THE COLLEGE
AND UNIVERSITY MARKETING PROCESS

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Abstract

The college and university marketing system must be viewed as a separate but integrated area within the institution requiring its own planning and implementation cycle. To effectively satisfy external and internal publics, a timely flow of decision-oriented information is necessary to support the marketing planning process. It is the crucial role of institutional research to design and implement a marketing information system to serve the primary marketing-oriented units within the organization. Some of the data necessary for effective marketing planning must be obtained using research methods and procedures not customarily practiced by institutional research staffs. Given the necessity for systematic marketing in higher education over the next 20 years, sharp increases may be required in both the status and funding of the on-campus institutional research office.

The Importance of Marketing for Higher Education

It is a fundamental concept of management thought, that for an organization to survive it must procure inputs from the environment of the types it needs in terms of materials, personnel, capital, etc.; process these inputs within its systemic boundaries; and consequently provide products or services of value to external consuming groups. In return for these valued offerings, a supply of new resource inputs are provided by constituent groups to sustain the organization. Marketing involves finding out what these consuming publics want, developing product/service/program packages to meet these wants, pricing the offerings at acceptable rates, delivering the offerings when and where they are desired, and communicating their availability. When this process is planned, evaluated and controlled it can be referred to as systematic marketing. Of course, in contributing to the success of an organization, marketing must be coordinated with other organizational functions such as personnel, production, financial administration, etc. The essential point is that the marketing subsystem must be viewed as a separate but integrated area requiring its own planning and implementation cycle. Unfortunately, most colleges and universities do not practice systematic marketing, and their top administrators do not view the marketing subsystem as a separate function within their institutional boundaries.

The issue of why higher education administrators typically have not viewed marketing as an important and integral function of their institutions is too complex to receive in-depth treatment in this paper. But, among other factors, it may relate to the lack of a managerial orientation in the academic preparation of many administrators. In addition, the goals espoused by many institutions are frequently based solely on what faculty and administrators want to accomplish, rather than what is needed by the institution's constituents. A third factor might be an historic insulation from market factors, in that a

steady stream of dollars originated from state, federal and other coffers regardless of what activities the institution decided to pursue with those resources.

Unfortunately, a sizeable portion of higher education's venture capital has dried up. Thus, most colleges and universities have been forced to begin orienting themselves more externally and asking the question, "What must we do to receive the support we need in terms of dollars, students, etc., from our outside patrons?" This is the basic question in marketing. Consequently, an increasing number of institutions are seeking ways to cultivate external and internal exchange relations, through increased responsiveness, in order to ensure stability in enrollment and funding.

Systematic marketing relies on an integrated effort guided by a philosophy that is referred to as the marketing concept. The marketing concept as adapted to higher education means that a college or university exists to provide satisfaction to external and internal constituents (or segments thereof) who can be instrumental in providing the institution with the support and resources needed for survival and development. Figure 1 indicates a number of

[Insert Figure 1]

publics, or constituents, that a college or university may seek to satisfy. The two-way arrows indicate that a potential exchange relationship exists between the institution and each of the publics. Figure 2 illustrates the var-

[Insert Figure 2]

ious publics as categorized by their potential roles as: providers of resource inputs to the institution; processors of inputs to create service outputs of value; and recipients of institutional outputs. Note that a single public may be classified in more than one category. For example, current students are not only a consuming public but are also an input public.

A further point needs to be made concerning the roles of faculty, staff

and administration as internal publics. Too often, these employee publics have viewed the institution's purpose for existence as providing themselves with a setting to "do their own thing" in the realms of teaching, research and public service activities. In this perspective, the institution becomes a closed system with little regard to the requirements of the external environment. In reality, unless consuming and input publics are satisfied enough to provide resources to the school, there is no necessity for internal employee publics to be there. To the degree that they function to satisfy external supporters, the services of faculty, administrators and staff are required. Thus, the nature of exchange relations between the institution and its internal publics should be based upon the degree to which each internal group can provide satisfaction to external constituents who provide support and funding.

The Role of Institutional Research

A higher education institution differs from a business organization in that colleges and universities normally seek to serve a far greater diversity of consuming publics. This greater diversity relates directly to the multiple-source funding base and public service orientation of higher education. While numerous publics are capable of providing funding for higher education; only consumers, stockholders and bankers generate revenues and investment capital for industry. Service to the academic, local, regional and even national communities are central to the missions of most educational institutions, while philanthropic and community service projects usually play a peripheral role in most industrial organizations.

This diversity of publics which the institution seeks to serve creates a decentralized organizational configuration at most colleges and universities. The production function is spread out among the faculty, student affairs and other support service areas. The personnel function is usually divided between academic and non-academic employees, and is further complicated where

there are unions involved. Financial administration is frequently more centralized than other functions, although the Treasurer interfaces with the Registrar, the Development Office and other areas where funds are solicited and collected. Accordingly, the marketing function is dispersed throughout the typical college and university. Some of the institutional units that are prime participants in the marketing process are listed in Figure 3. It is conceivable that each of these units would have their own marketing plan focused toward the input, internal and consuming publics which they serve.

[Insert Figure 3]

It is the crucial role of institutional research to design and implement the marketing information system which can enable institutional units to practice systematic marketing. The precondition for the practice of systematic marketing by functional units is for them to be aware of information such as: satisfaction levels among institutional publics with services provided, institutional images held by various publics, changes occurring in the external environment concerning competition and other trends, and opportunities for serving important publics in innovative ways. As business organizations rely strongly on marketing research and intelligence to provide direction for their planning systems, institutional research must play this role in the college and university setting.

It is the prerogative of institutional research to be the clearinghouse on campus for decision-oriented data. To achieve this status, the institutional research office should be proactive in contacting on-campus units and diagnosing their data requirements. In addition, data which has been accumulated around the campus by functional units should be collected, organized and stored at a central location. A bulletin could be issued monthly or quarterly as to major additions of studies or information to the clearinghouse. Based on needs for marketing-related information, standardized reports can be compiled

and disseminated to administrators, faculty and other parties.

The data being processed in the marketing information system can originate from at least four separate sources. One source is internally generated financial, enrollment and other record-keeping data. Another source is information from secondary sources such as government or other publications, academic articles, publications from competitive institutions, data from legislators and other environmental scanning activities. A third source would be studies conducted empirically of institutional image, advertising effectiveness, market segmentation, consumer motivation, constituent satisfaction, etc. A fourth category would consist of management science applications using data collected in the other three classifications. These management science applications might include: forecasting, simulations, and other sophisticated modeling procedures.

The regularity with which data of various types will be assembled depends on the nature and timing of marketing decisions requiring the information. For example, studies concerning why students leave the institution prior to graduation, why season ticket holders don't renew their seats, or why alumni drop out of the association (all attrition) may be conducted on a yearly cycle. Annual research may also be done on why undergraduate, graduate and continuing education students decide to come to the institution as first time matriculants and what media influenced them. This information would be used in the creation of retention and recruitment marketing plans by various institutional units. Conversely, the feasibility of a weekend college, the impact on different potential and current student groups of a change in the academic calendar, or the desirability of a computerized placement service for alumni are all studies which may only be conducted once. Some research may be conducted intermittently throughout the year such as pre- and post-tests of the promotional effectiveness of radio, television, newspaper and other advertising media. The

institutional research staff should be capable of handling these, and other, types of information acquisition requirements to facilitate effective marketing planning and implementation.

There are a number of studies and research techniques which can provide information of value to marketing-oriented units in the institution that the institutional research office may not be utilizing. Some of these marketing research tools are listed below:

1. Institutional image studies. There may be a composite image of the institution among all relevant publics, but this information has limited usefulness. Image studies focusing on specific publics of interest; alumni, parents of potential students, current students, the regional business community, high school guidance counselors, etc., can be done periodically. This data may be used as input for planning, or as a measure of marketing effectiveness. Research tools such as the semantic differential or multidimensional scaling are appropriate for this type of study.
2. Current satisfaction studies. Attitude surveys can be conducted on publics such as current students, alumni, the local community and even faculty to determine the degree to which their needs are being met by the institution. This type of research can highlight new opportunities, as well as suggestions for improving present programs, which can serve as input into the marketing planning process.
3. Studies of promotional effectiveness. Research can be done to determine the impact generated by the institution's personal contact, media advertising, and publications programs on consumer awareness, interest, and action. Prototype media programs can be pre-tested on high school students, community groups, parents

and other publics. Recall of past communications and measures of attitude change can be obtained to determine effectiveness. This data is a crucial input for promotional planning and allocations on a yearly basis.

4. Focus group interviewing. This technique involves bringing together a small group (8-12) of participants, representing the membership of specific publics, to discuss selected issues relating to marketing decisions. Changes in curriculum, the least objectionable manner in which to raise tuition and fees, ways of increasing attendance at athletic events, or courses which might be of interest to retired persons, are all potential subjects for focus group discussion. Focus group interviewing has the advantage of providing in-depth data at a reasonable cost. This interviewing procedure is receiving increased usage as a marketing research tool in business settings.
5. Consumer panels. This technique is similar to a focus group in that a small number of respondents are interviewed. The difference lies in that the group is brought together periodically in a longitudinal analysis. This procedure might be used to discern trends, especially where the institution has made special efforts to improve some aspect of the school and feedback is necessary to discern the impact.
6. Market segmentation studies. Research on the institution's markets (or publics) can be done to discover homogeneous subgroupings based on geographic, demographic, psychographic and other common factors (see Figure 4). These groups may in fact possess differing needs which the institution may have to create specific marketing programs to satisfy. Examples of this segmentation

process might be the discovery or specialized service needs for: retirees, handicapped, alumni in varying geographical areas, mass media in different locales, etc. Multivariate statistical techniques which have been applied to this type of research include: discriminant analysis, cluster analysis, Q factor analysis and multidimensional scaling.

[Insert Figure 4]

Conclusion

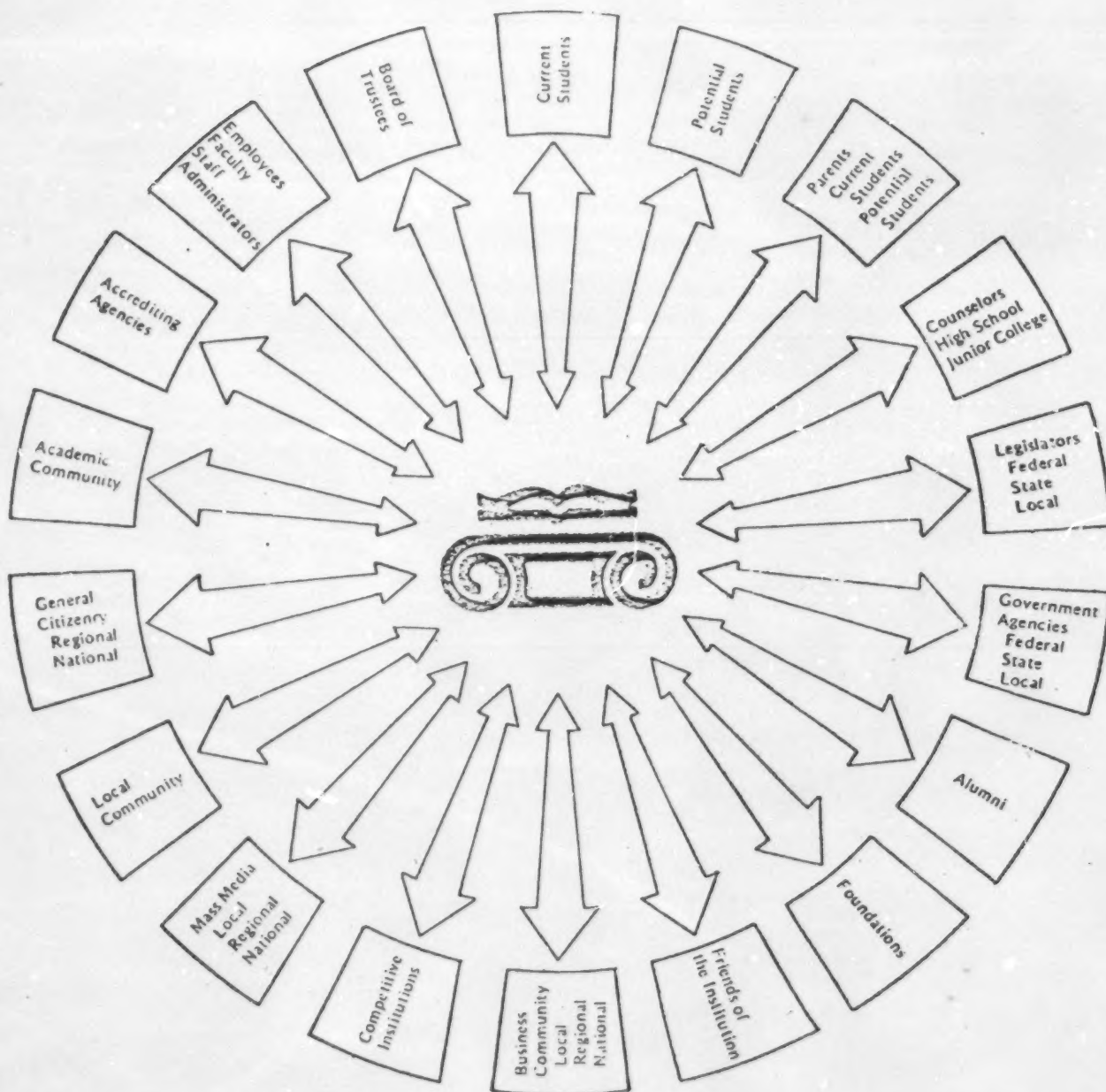
Systematic marketing planning and implementation within a college or university cannot be effectively conducted without a support base of timely, accurate and relevant decision-oriented information. The on-campus institutional research staff is the best equipped area of the institution to assume the responsibilities of managing the marketing information system. Although, some assistance may be required from professional marketing research firms for an unusual and major project.

For some colleges and universities, a sharp increase in both the status and funding of institutional research units may be required to support better marketing practice throughout the school. It is conceivable that top administrators within a highly responsive institution would request indices of market reaction prior to their formalization of any major decision involving priority internal and external publics. The institutional research staff must be capable of procuring these types of data quickly and accurately. It may also be necessary for institutional research offices to expand their staffs through the addition of specialists in social science research methods, information systems and quantitative model building to meet increased demands for more sophisticated data transformation.

Over the next 20 years, colleges and universities that are most responsive to the needs of their important publics should fare best in what promises to be

a competitive shakeout in the higher education industry. Flexibility in programming, and the provision of services to capitalize on market opportunities, will be a key factor in stabilizing enrollment and funding. Institutional research offices must play a crucial role if the school is to effectively market its services to external and internal publics.

Figure 1

THE PUBLICS OF HIGHER EDUCATION

SOURCE: Berry, Leonard L. and Bruce H. Allen, "Marketing's Crucial Role For Institutions of Higher Education," Atlanta Economic Review, July-August, 1977, p. 26.

Figure 2

CATEGORIES OF PUBLICS AND THEIR INTERRELATIONSHIPS

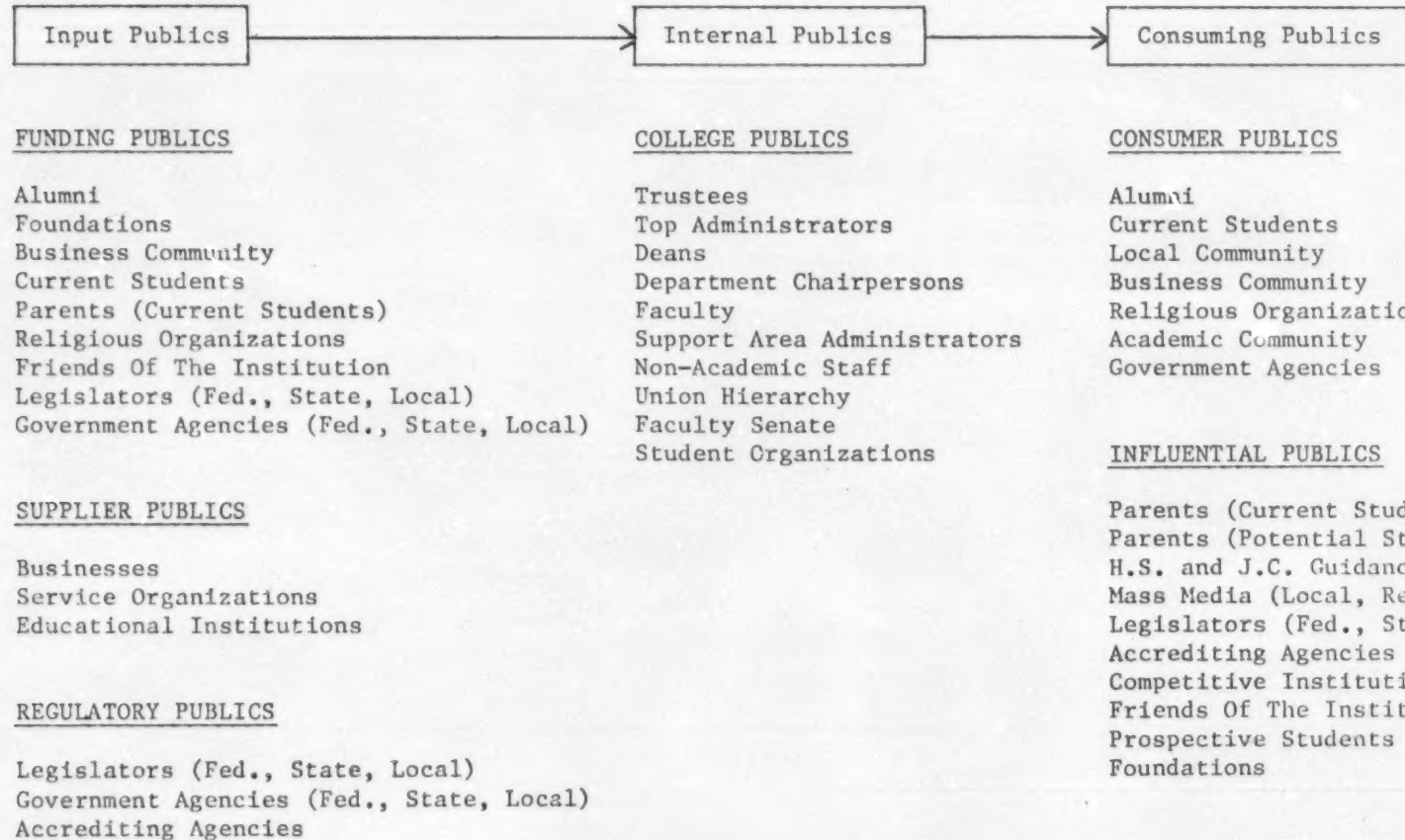


Figure 3

INSTITUTIONAL UNITS INVOLVED IN THE MARKETING PROCESS

<u>INSTITUTIONAL UNITS</u>	<u>EXCHANGE RELATIONS</u>		
	<u>INPUT PUBLICS</u>	<u>INTERNAL PUBLICS</u>	<u>CONSUMING PUBLICS</u>
Central Administration	X	X	X
Academic Sector			
Colleges	X	X	X
Schools	X	X	X
Departments	X	X	X
Continuing Education	X	X	X
Evening or Weekend Program	X	X	X
Admissions	X	X	X
External Communications	X	X	X
Internal Communications	X	X	
Development	X		X
Alumni Relations	X	X	X
Career Development & Placement	X	X	X
Intercollegiate Athletics	X	X	X
Advising and Orientation	X	X	X
Residence Hall Administration	X	X	X
Auxiliary Services			
Cultural Programs	X	X	X
Athletic Facilities	X	X	X
Legislative Liaison	X	X	X
Office of Sponsored Research	X	X	X
Personnel	X	X	
Institutional Research	X	X	X

Figure 4

MARKET SEGMENTATION VARIABLES

<u>Variables</u>	<u>Typical breakdowns</u>
Geographic:	
Region	Pacific, Mountain, West North Central, West South Central, East North Central, East South Central, South Atlantic, Middle Atlantic, New England
County size	A, B, C, D
City or SMSA size	Under 5,000, 5,000-19,999, 20,000-49,999, 50,000-99,999, 100,000-249,999, 250,000-499,999, 500,000-999,999, 1,000,000-3,999,999, 4,000,000 or over
Density	Urban, suburban, rural
Climate	Northern, southern
Demographic:	
Age	Under 6, 6-11, 12-17, 18-34, 35-49, 50-64, 65+
Sex	Male, female
Family size	1-2, 3-4, 5+
Family life cycle	Young, single; young, married, no children; young, married, youngest child under six; young, married, youngest child six or over; older, married, with children; older, married, no children under 18; older, single; other
Income	Under \$5,000, \$5,000-\$7,999, \$8,000-\$9,999, over \$10,000
Occupation	Professional and technical; managers, officials and proprietors; clerical, sales; craftsmen, foremen; operatives; farmers; retired; students; housewives; unemployed
Education	Grade school or less; some high school; graduated high school; some college; graduated college
Religion	Catholic, Protestant, Jewish, other
Race	White, black, Oriental
Nationality	American, British, French, German, Eastern European, Scandinavian, Italian, Latin American, Middle Eastern, Japanese
Social class	Lower-lower, upper-lower, lower-middle, middle-middle, upper-middle, lower-upper, upper-upper
Psychographic:	
Life-style	Swinger, status seeker, plain Joe
Personality	Compulsive, gregarious, authoritarian, ambitious
Benefits sought	Economy, convenience, prestige
User status	Nonuser, ex-user, potential user, first-time user, regular user
Usage rate	Light user, medium user, heavy user
Loyalty status	None; medium; strong; absolute
Readiness stage	Unaware, aware, informed, interested, desirous, intending to buy
Marketing-factor sensitivity	Quality, price, service, advertising, sales promotion

SOURCE: Kotler, Philip, Marketing Management: Analysis, Planning and Control, Prentice-Hall, 1976, p. 146.